



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/769,294

01/26/2001

Ronald Fredrik Michael Johnson

053881-010100

4829

22191 7590 11/17/2011
GREENBERG TRAURIG, LLP (DC/ORL)
2101 L Street, N.W.
Suite 1000
Washington, DC 20037

EXAMINER

GORT, ELAINE L

ART UNIT

PAPER NUMBER

3687

NOTIFICATION DATE

DELIVERY MODE

11/17/2011

ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

DCIPMAIL@gtlaw.com
cadanoc@gtlaw.com

1 UNITED STATES PATENT AND TRADEMARK OFFICE

2
3
4 BEFORE THE BOARD OF PATENT APPEALS
5 AND INTERFERENCES
6

7
8 *Ex parte* RONALD FREDRIK MICHAEL JOHNSON
9

10
11 Appeal 2010-006504
12 Application 09/769,294
13 Technology Center 3600
14

15
16
17 Before MURRIEL E. CRAWFORD, ANTON W. FETTING, and
18 BIBHU R. MOHANTY, *Administrative Patent Judges*.
19 FETTING, *Administrative Patent Judge*.

20 DECISION ON APPEAL
21

STATEMENT OF THE CASE¹

Ronald Fredrik Michael Johnson (Appellant) seeks review under 35 U.S.C. § 134 (2002) of a final rejection of claims 1-3, 9, 10, 12-16, 18, 20, and 22-31, the only claims pending in the application on appeal. We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b) (2002).

The Appellant invented a way of real-time monitoring and control of inventory involved in on-line purchases (Specification 1: Field of the Invention).

An understanding of the invention can be derived from a reading of exemplary claim 1, which is reproduced below [bracketed matter and some paragraphing added].

1. An inventory status and information system comprising:

[1] a database,

the database storing at least on-hand, reserved, and ordered inventory quantities

associated with a plurality of inventory items;

[2] a server,

the server providing access to information from the database via a communication interface,

the server also pushing out updates to inventory quantities as such inventory quantities change;

[3] a client,

the client providing a user interface

¹ Our decision will make reference to the Appellant's Appeal Brief ("App. Br.," filed September 18, 2009) and the Examiner's Answer ("Ans.," mailed January 13, 2010).

1 through which information accessible via the
2 server may be accessed and displayed,
3 the user interface further allowing a user to
4 view inventory quantities associated with a
5 selected inventory item,
6 view inventory quantity updates provided by
7 the server, and
8 place a specified quantity of the selected
9 inventory item on reserve
10 as an order is placed.

11 The Examiner relies upon the following prior art:

Salvo US 6,341,271 B1 Jan. 22, 2002
Peachey-Kountz US 6,463,345 B1 Oct. 8, 2002

12 Claims 26-31 stand rejected under 35 U.S.C. § 101 as directed to non-
13 statutory subject matter.

14 Claims 1-3, 9, 10, 12-16, 18, 20, and 22-31 stand rejected under 35
15 U.S.C. § 103(a) as unpatentable over Peachey-Kountz and Salvo.

16 ISSUES

17 The issue of statutory subject matter turns primarily on whether claim 26
18 only describes logic per se. The obviousness issues turn primarily on
19 whether the Specification lexicographically defined the word “reserve.”

20 FACTS PERTINENT TO THE ISSUES

21 The following enumerated Findings of Fact (FF) are believed to be
22 supported by a preponderance of the evidence.

23 *Facts Related to Claim Construction*

1 01.The disclosure contains no lexicographic definition of “reserve.”

2 *Facts Related to the Prior Art*

3 *Peachey-Kountz*

4 02.Peachey-Kountz is directed to a tool in which production planning
5 information is used to match assets to demands. Peachey-Kountz
6 1:16-19.

7 03.Peachey-Kountz’s customer orders (demands) are treated as inputs
8 to generate a supply line at forecast group level. Each forecast
9 group has supply allocated for it and determines which customers
10 belonging to that group can consume the group's allocated supply.
11 This allocation enables Peachey-Kountz to reserve some output
12 for important customers, to insure that lower priority customers do
13 not consume the output set aside for those important customers.
14 As a result, Peachey-Kountz is superior to prior art available to
15 promise (ATP) systems, which are constrained to allocating
16 supply on a first come first served basis. Peachey-Kountz 6:7-19.

17 04.Peachey-Kountz uses an online server that interfaces directly to
18 the order-entry system and maintains a real time picture of the
19 orders. The order-entry systems are tied to the server using
20 messaging middleware. Peachey-Kountz 6:58 – 7:1.

21 05.Peachey-Kountz uses inventory on-hand, on-order, and reserved
22 quantity fields to compute the unallocated free supply available to
23 meet a customer request. Peachey-Kountz 10:24-31.

24 *Salvo*

06.Salvo is directed to vendor managed inventory systems and methods. Salvo 1:5-7.

07.Salvo describes sending alerts concerning inventory levels to an inventory system from a server. Salvo 8:50-60.

ANALYSIS

Claims 26-31 rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter.

We are persuaded by the Appellant's argument that these claims recite more than logic per se, the Examiner's basis for the rejection at Answer 3. Appeal Br. 10. For example, polling a database requires more than logic per se.

Claims 1-3, 9, 10, 12-16, 18, 20, and 22-31 rejected under 35 U.S.C. § 103(a) as unpatentable over Peachey-Kountz and Salvo.

We are unpersuaded by the Appellant's argument that Peachey-Kountz's reservations differ from those in each of the independent claims. Appeal Br. 11-12. There is no lexicographic definition of "reserve" in the application. FF 01. The Appellant argues that its reservations allow customers to obtain assurance of availability in real-time. Appeal Br. 12. As the Examiner found at Answer 10, Peachey-Kountz does so, at least for some inventory. FF 03-05. We are also unpersuaded by the Declaration of Garrison Reeves Ellam Under 37 C.F.R. § 1.132 for the same reason, as that Declaration, providing evidence of commercial success, fails to show that such success would have occurred as measured relative to the applied prior art.

The Examiner failed to make findings as to the Declaration, however, and so, consistent with the recent decision in *In re Stepan*, -- F.3d --, 2011

1 WL 4582488 (Fed. Cir. 2011) in which our reviewing court held that such a
2 referral by the Board for the first time to a Declaration was a new ground,
3 we reverse the Examiner's art rejection, but enter a new ground on the same
4 statutory basis and art under 37 C.F.R. § 41.50(b) to give the Appellant
5 adequate notice.

6 CONCLUSIONS OF LAW

7 The rejection of claims 26-31 under 35 U.S.C. § 101 as directed to non-
8 statutory subject matter is improper.

9 The rejection of claims 1-3, 9, 10, 12-16, 18, 20, and 22-31 under 35
10 U.S.C. § 103(a) as unpatentable over Peachey-Kountz and Salvo is improper
11 based on the Examiner's findings, but proper under a new ground based on
12 the same references and statutory basis.

13 DECISION

14 The Examiner's rejection of claims 1-3, 9, 10, 12-16, 18, 20, and 22-31
15 is reversed, but those same claims are rejected under 35 U.S.C. § 103(a) as
16 unpatentable over Peachey-Kountz and Salvo as a new ground pursuant to
17 37 C.F.R. § 41.50(b).

18 This Decision contains a new rejection within the meaning of 37 C.F.R.
19 § 41.50(b) (2007).

20 Our decision is not a final agency action.

21 37 C.F.R. § 41.50(b) provides that Appellant, WITHIN TWO MONTHS
22 FROM THE DATE OF THE DECISION, must exercise one of the
23 following two options with respect to the new rejection:

1 (1) Reopen prosecution. Submit an appropriate amendment of
2 the claims so rejected or new evidence relating to the claims
3 so rejected, or both, and have the matter reconsidered by the
4 Examiner, in which event the proceeding will be remanded
5 to the Examiner. . . .

6 (2) Request rehearing. Request that the proceeding be reheard
7 under § 41.52 by the Board upon the same record. . . .

8 No time period for taking any subsequent action in connection with this
9 appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R.
10 § 1.136(a)(1)(iv) (2007).

11
12 REVERSED; 37 C.F.R. § 41.50(b)
13
14
15
16
17
18
19

mls